

FINAL FISCAL NOTE

Nonpartisan Services for Colorado's Legislature

Drafting Number: LLS 19-1060 Date: May 31, 2019 Bill Status: Lost in the House **Prime Sponsors:** Rep. Hansen; McKean

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ELECTRIC CAR MANUFACTURERS MAY SELL DIRECTLY TO CONSUMERS **Bill Topic:**

□ TABOR Refund Summary of State Revenue (*minimal*) □ State Expenditure **Fiscal Impact:** □ Local Government □ State Transfer □ Statutory Public Entity

> The bill would have allowed a motor vehicle manufacturer that only manufactures electric vehicles to sell directly to customers. The bill may have increased state

revenue beginning in FY 2019-20.

Appropriation Summary:

No appropriation was required.

Fiscal Note Status:

This fiscal note reflects the introduced bill. This bill was not enacted into law;

therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

Under current law, motor vehicle manufacturers may not own, operate, or control a motor vehicle dealer or used motor vehicle dealer. The bill allows a manufacturer that only manufactures electric vehicles to own, operate, or control a motor vehicle dealer. An electric motor vehicle is defined as a motor vehicle that operates entirely on electric power; does not include a fuel combustion engine; and has a least four wheels in contact with the ground during normal operations.

Background

Under current law, motor vehicle manufacturers are allowed to own, operate, or control motor vehicle under certain circumstances enumerated in law. In addition, one motor vehicle manufacturer was allowed to operate one motor vehicle dealer location to sell directly to customers.

State Revenue

To the extent that any electric motor vehicle manufacturers own, operate, or control a motor vehicle dealer location in Colorado, fee revenue will increase. For informational purposes, the current fee for an original motor vehicle dealer is \$581.

HB 19-1325

Effective Date

The bill was lost on third reading in the House of Representatives on April 24, 2019.

State and Local Government Contacts

Revenue